

1 AN ACT concerning ethics.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Illinois Procurement Code is amended by
5 changing Section 53-10 as follows:

6 (30 ILCS 500/53-10)

7 Sec. 53-10. Concessions and leases of State property.

8 (a) Except for property under the jurisdiction of a public
9 institution of higher education, concessions, including the
10 assignment, license, sale, or transfer of interests in or
11 rights to discoveries, inventions, patents, or copyrightable
12 works, may be entered into by the State agency with
13 jurisdiction over the property, whether tangible or
14 intangible. Licenses of naming rights and sponsorship rights,
15 as those terms are defined and used in Section 7.6 of the State
16 Property Control Act, are not concessions and are subject to
17 that Section 7.6.

18 (b) Except for property under the jurisdiction of a public
19 institution of higher education, all concessions shall be
20 reduced to writing and shall be awarded under the provisions of
21 Article 20, except that the contract shall be awarded to the
22 highest and best bidder or offeror.

23 (Source: P.A. 90-572, eff. date - See Sec. 99-5.)

24 Section 10. The State Property Control Act is amended by
25 adding Section 7.6 as follows:

26 (30 ILCS 605/7.6 new)

27 Sec. 7.6. Naming and sponsorship rights; licenses.

28 (a) Administrator's authority. The administrator, as
29 defined in this Section, is authorized to license naming rights
30 and sponsorship rights only as provided in this Section. Naming

1 rights and sponsorship rights regarding any property or other
2 asset of the State to which this Section applies, whether real,
3 personal, tangible, or intangible, may not be sold, conveyed,
4 leased, licensed, or otherwise granted by the administrator or
5 by any other officer, employee, or agent of the State except as
6 provided in this Section. Naming and sponsorship rights are
7 subject to all other applicable statutes that are not
8 inconsistent with the provisions of this Section; to the extent
9 of any conflict, however, this Section controls.

10 (b) Certain properties and other assets; no license. Naming
11 rights and sponsorship rights may not be licensed with respect
12 to (i) any of the following or (ii) any property or other asset
13 associated with any of the following:

14 (1) the State Capitol Building in Springfield,
15 Illinois;

16 (2) the Old State Capitol Building in Springfield,
17 Illinois;

18 (3) the Vandalia State House in Vandalia, Illinois;

19 (4) the Executive Mansion in Springfield, Illinois;

20 (5) the Executive Mansion, also known as the Hayes
21 House, in Du Quoin, Illinois;

22 (6) the Abraham Lincoln Home in Springfield, Illinois,
23 if it becomes State real property not under the
24 jurisdiction of the federal government;

25 (7) the Lincoln Tomb in Springfield, Illinois;

26 (8) the Abraham Lincoln Presidential Library and
27 Museum in Springfield, Illinois;

28 (9) all present and future Abraham Lincoln sites not
29 otherwise listed;

30 (10) all Illinois homes of all past, present, or future
31 United States Presidents who have resided, currently
32 reside, or in the future will reside in the State of
33 Illinois;

34 (11) the burial sites of all past, present, or future
35 United States Presidents;

36 (12) the Illinois State Museum in Springfield,

1 Illinois;

2 (13) any State property or other asset identified or
3 named for a specific individual by Joint Resolution of the
4 General Assembly or by statute as of the effective date of
5 this Section or later; and

6 (14) any other State property or asset that on the
7 effective date of this Section or later is designated a
8 National Historic Landmark, listed as a State Historic Site
9 under Section 6 of the Historic Preservation Agency Act, or
10 listed on either the Illinois Register of Historic Places
11 or the National Register of Historic Places, unless the
12 State property is a university sports stadium and the
13 federal or State agency that made the designation has the
14 authority to consent and does consent in writing.

15 (c) Terms and conditions of licenses. A license of naming
16 rights or sponsorship rights (i) may have a term of no more
17 than 10 years and shall include a termination option in favor
18 of the State after 5 years, (ii) is non-transferable, and (iii)
19 is non-renewable (at the end of a term of a license, however,
20 the licensee is eligible to compete for a new license as
21 provided in subsection (d)). The licensee shall have the
22 authority to place signs, placards, imprints, or other
23 identifying information only on the properties or other assets
24 specified in the license and only during the term of the
25 license. The signs, placards, imprints, or other identifying
26 information may contain nothing other than the name of the
27 licensee, the licensee's logo, or both, except that with the
28 written approval of the administrator they may contain other
29 authorized material. The license may, but need not, require the
30 State to refer to a property or other asset by the name of the
31 licensee during the term of the license, all within reasonable
32 limitations and other than in statutes, rules, and existing
33 supplies of forms and other documents. Except with respect to
34 property or other assets of a public institution of higher
35 education, no naming or sponsorship right, however, may be
36 characterized or treated as "official" or in a similar fashion.

1 If a licensee materially breaches any term of a license and the
2 Executive Ethics Commission recommends that the license be
3 revoked, then the administrator may declare the license
4 revoked. At least 25% of the total amount of license fees must
5 be paid prior to the commencement of the term of the license.
6 Any balance shall be paid on a periodic schedule agreed to by
7 the administrator. All fees are non-refundable. Fees shall be
8 deposited into the General Revenue Fund, except that, if a fund
9 or account has been designated in a license granted by an
10 administrator designated by the Attorney General, the
11 Secretary of State, the Comptroller, the Treasurer, or a public
12 institution of higher education, then fees under the applicable
13 license shall be deposited into the designated fund or account.

14 (d) Competitive negotiation. A license of naming rights or
15 sponsorship rights may be granted only on the basis of the
16 highest and best competitively negotiated proposal that yields
17 the most advantageous benefits and considerations to the State.
18 The administrator shall give notice that the administrator will
19 accept proposals for the licensing of naming rights or
20 sponsorship rights with respect to any one or more specified
21 properties or other assets by publication in the Illinois
22 Procurement Bulletin not less than 7 business days before the
23 day upon which proposals will be accepted. The administrator
24 shall give such other notice as the administrator deems
25 appropriate. Proposals shall not be sealed and shall be part of
26 the public record. The administrator shall conduct open,
27 competitive negotiations with those who have submitted
28 proposals in order to obtain the highest and best competitively
29 negotiated proposal that yields the most advantageous benefits
30 and considerations to the State. The administrator may give
31 notice of and negotiate multiple licenses for identical naming
32 or sponsorship rights as part of a single notice, negotiation,
33 and licensing process. In the case of naming or sponsorship
34 rights for a single event or a continuous series of related
35 events, the administrator may grant multiple licenses not based
36 on the standard of "highest and best" proposals if the end

1 result is the most beneficial to the State. If a proposal
2 satisfactory to the administrator is not negotiated, the
3 administrator may give notice as provided in this subsection
4 and accept additional proposals.

5 Subject to the provisions of this Section, the
6 administrator shall have all power necessary to grant the
7 license and enter into any agreements and execute any documents
8 necessary to exercise the authority granted by this Section.
9 The administrator shall have authority to order such surveys,
10 abstracts of title, or commitments for title insurance as may,
11 in the administrator's reasonable discretion, be deemed
12 necessary to demonstrate good and marketable title to the
13 naming rights or sponsorship rights.

14 (e) Personal gifts. If one or more natural persons, as
15 such, make a gift, bequest, or devise to a State officer or
16 entity to which this Section applies and that does not result
17 in any pecuniary benefit (other than a tax benefit) to the
18 person or persons, then, at the request of the administrator
19 and with the approval of the Executive Ethics Commission in the
20 same manner as provided in subsection (f), the administrator
21 may grant naming rights, sponsorship rights, or both, so long
22 as the rights are of no pecuniary benefit to the person or
23 persons, subject only to the limitations in subsection (c) on
24 identifying information and characterization as "official" or
25 in a similar fashion. The sole purpose of the gift, bequest, or
26 devise must be to assist the recipient in fulfilling the
27 recipient's core mission or purpose.

28 (f) Approval by Executive Ethics Commission. Upon
29 determining to grant a license, the administrator must, within
30 15 calendar days, deliver a written notice setting forth all of
31 the pertinent facts relating to the proposal, proposer, and
32 proposed license to the Executive Ethics Commission. A license
33 shall not be granted unless approved in advance by the
34 Commission. If the administrator proposes to amend an existing
35 license, the administrator must deliver notice of the proposed
36 amendment to the Commission within 15 calendar days, and the

1 amendment shall not be made unless approved in advance by the
2 Commission. The Commission's review shall be based solely on
3 ethical and ethics related standards imposed by the law and on
4 avoiding the appearance of impropriety. The Commission's
5 approval shall not be unreasonably withheld.

6 Within 40 calendar days after its actual receipt from the
7 administrator of notice of a proposed license or amendment to a
8 license, the Commission shall either approve or disapprove the
9 proposed license or amendment and shall notify the
10 administrator and other parties to the proposed license or
11 amendment of its decision. The Commission may, in its
12 discretion and before the running of the time period in which
13 it must make a decision, grant itself one extension of up to an
14 additional 40 calendar days in which to make a decision by
15 notifying the administrator and other parties to the proposed
16 license or amendment. If the Commission requests additional or
17 supplemental information from the administrator or a party to
18 the proposed license or amendment, the running of the time
19 limit in which the Commission must make its decision is
20 suspended, and the 40-day period begins anew when the
21 information is delivered to the Commission. If the Commission
22 fails to render a decision within the applicable time period,
23 the proposed license or amendment is deemed approved.

24 (g) Rules. Each administrator and the Executive Ethics
25 Commission may, separately, adopt rules to implement their
26 several functions under this Section. The rules may not,
27 however, waive or provide for the waiver of any of the
28 requirements of this Section except as provided in this
29 subsection. The Executive Ethics Commission may adopt rules
30 authorizing the administrator to grant licenses without
31 pre-approval under subsection (f), but the rules must specify,
32 by category, those emergency and other extenuating situations
33 in which pre-approval is waived, must provide for prompt review
34 by the Commission after the granting of the license, and may
35 contain other provisions the Commission deems necessary to
36 prevent abuse of this procedure.

1 (h) Blind vendors. The provisions of this Section are
2 subject to, and do not supersede, any of the provisions of the
3 Blind Persons Operating Vending Facilities Act, any other State
4 or federal law granting preference to blind persons, or any
5 rules or regulations adopted pursuant to any of those laws.

6 (i) Small consideration. If the value of the consideration
7 for an individual naming or sponsorship right does not exceed
8 \$25,000, the administrator may grant the right, subject only to
9 the limitations in subsection (c) on identifying information
10 and characterization as "official" or in a similar fashion, but
11 the administrator must deliver a written notice giving the
12 details to the Executive Ethics Commission at least one full
13 business day before the administrator agrees to grant the
14 right. Naming or sponsorship rights shall not be artificially
15 divided in an attempt to qualify under this subsection.

16 (j) Applicability. This Section does not apply to naming
17 rights and sponsorship rights with respect to property or other
18 assets under the jurisdiction and control of the legislative
19 branch or the judicial branch of the State. This Section
20 applies to all naming rights and sponsorship rights granted
21 with respect to the State Fair, as defined in Section 2 of the
22 State Fair Act, on or after January 1, 2006. This Section
23 applies to all other naming rights and sponsorship rights
24 granted on or after the effective date of this amendatory Act
25 of the 94th General Assembly.

26 (k) Retention of records. The administrator must maintain
27 all records relating to (i) each license of naming rights or
28 sponsorship rights for at least 7 years after the expiration of
29 the term of the license and (ii) each proposal for naming
30 rights or sponsorship rights that does not result in a license
31 being granted to the proposer for at least 7 years after the
32 proposal was submitted.

33 (l) Definitions. In this Section:

34 Notwithstanding Section 1.03 of this Act, in this Section
35 "administrator" means (i) an officer or employee designated by
36 the Attorney General with respect to the property and other

1 assets under the jurisdiction and control of the Attorney
2 General; (ii) an officer or employee designated by the
3 Secretary of State with respect to the property and other
4 assets under the jurisdiction and control of the Secretary of
5 State; (iii) an officer or employee designated by the
6 Comptroller with respect to the property and other assets under
7 the jurisdiction and control of the Comptroller; (iv) an
8 officer or employee designated by the Treasurer with respect to
9 the property and other assets under the jurisdiction and
10 control of the Treasurer; (v) an officer or employee designated
11 by the board of trustees of a public institution of higher
12 education, as defined in Section 1 of the Board of Higher
13 Education Act, with respect to the property and other assets
14 under the jurisdiction and control of that public institution
15 of higher education; and (vi) the Director of Central
16 Management Services with respect to all other property and
17 other assets to which this Section applies.

18 "Naming rights" means the right to associate the name or
19 identifying mark of any person or entity with the name or
20 identity of any State property or other asset.

21 "Sponsorship rights" means the right to associate the name
22 or identifying mark of any person or entity with any State
23 program or event on the grounds of, in, or with respect to any
24 State property or other asset.

25 (m) This Section shall be construed to ensure that all
26 naming and sponsorship rights are strictly controlled under the
27 terms of this Section.

28 (n) Severability. The provisions of this Section are
29 severable under Section 1.31 of the Statute on Statutes.

30 Section 99. Effective date. This Act takes effect upon
31 becoming law.